



Fresenius Medical Care AG (FMS)

Updated March 15th, 2026, by Nathan Parsh

Key Metrics

Current Price:	\$22.79	5 Year Annual Expected Total Return:	13.1%	Market Cap:	\$13.4 B
Fair Value Price:	\$32.56	5 Year Growth Estimate:	3.0%	Ex-Dividend Date:	05/22/26 ¹
% Fair Value:	70%	5 Year Valuation Multiple Estimate:	7.4%	Dividend Payment Date:	06/05/26 ²
Dividend Yield:	3.6%	5 Year Price Target	\$38	Years Of Dividend Growth:	26 ³
Dividend Risk Score:	B	Sector:	Health Care	Rating:	Hold

Overview & Current Events

Fresenius Medical Care AG is a diversified healthcare corporation focused on products and services related to renal (kidney) diseases. The company's services include kidney dialysis, clinical laboratory testing, and kidney diagnostic procedures. Fresenius Medical is headquartered in Germany. United States investors can initiate an ownership stake in Fresenius Medical through American Depository Receipts that trade on the New York Stock Exchange under the ticker FMS. Two ADR shares equal one share of the underlying company.

On February 24th, 2026, Fresenius Medical released fourth quarter and full year results for the period ending December 31st, 2025. For the quarter, revenue grew 11.7% to nearly \$6 billion while earnings-per-share totaled \$0.85. Both figures were ahead of estimates. For the year, revenue grew 5% at constant currency while adjusted EPS of \$2.49 compared to \$1.66 in 2024.

Organic revenue grew 8% for the quarter and full year. Quarterly revenue for Care Delivery, formerly known as Health Care Services, grew 7% organically. The U.S. business was up 9% as favorable rate and payor mix effects, reimbursement regulations, and a positive impact from reduced implicit price concessions, partially offset by divestitures. The international business grew 4% as same market treatments were up 1.7%. Value-Based Care revenue surged 42% due once again to higher member months. Care Enablement, formerly known as Health Care Products, was down 3% due to lower volumes stemming from regulatory policies in China that were partially offset by higher prices. As of the end of the quarter, Fresenius Medical had 291,902 patients and 3,601 clinics worldwide compared to 293,620 patients and 3,628 clinics in Q3 2025. The company is in the process of executing its FME Reignite strategy as it rolls out certain systems to appeal to a wider base of customers while also divesting non-core assets. The company expects operating income to grow by 3% to 7% through 2028.

Fresenius Medical is expected to earn \$2.96 per share in 2026.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	\$2.03	\$2.08	\$2.46	\$2.43	\$2.70	\$1.97	\$1.21	\$1.30	\$1.66	\$2.49	\$2.96	\$3.43
DPS	\$0.43	\$0.53	\$0.55	\$0.45	\$0.72	\$0.82	\$0.71	\$0.60	\$0.64	\$0.82	\$0.82	\$0.95
Shares⁴	614	613	613	602	598	586	586	587	587	587	587	587

Although Fresenius Medical has lofty forward-looking growth targets, it has struggled to achieve consistent strong growth historically. Adjusted earnings-per-share have increased 2.3% annually over the last decade and 6.4% over the past five years. We reaffirm our earnings-per-share growth target of 3% for the next five years, down from 6% previously. We anticipate that the company will deliver earnings-per-share of \$2.96 in 2026. Applying a 3% growth rate to our 2026 earnings-per-share projection leads to 2031 earnings-per-share estimate of \$3.43.

¹ Estimated ex-dividend date

² Estimated dividend payment date

³ In local currency

⁴ In millions of shares

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.



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Fresenius Medical Care has not prioritized growing its dividend payments in the past. However, the company has increased its dividend for 26 years in local currency. We forecast the dividend will grow in line with earnings-per-share.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	21.1	18.5	13.2	16.7	16.6	16.5	26.8	16.0	13.6	9.6	7.7	11.0
Avg. Yld.	1.0%	1.1%	1.3%	1.8%	1.8%	2.5%	2.2%	2.9%	2.8%	3.4%	3.6%	2.5%

Shares of Fresenius Medical have declined 5%, since our December 1st, 2025 report. The stock is trading at a price-to-earnings ratio of 7.7 today based off earnings-per-share estimates for the current year. For context, the stock has traded with an average price-to-earnings ratio of 16.9 over the last decade. We are reaffirming our 2031 target P/E of 11, down from 13, as we believe this is a better starting point for the stock. If the company's P/E ratio were to reach our target by 2031, then valuation would add 7.4% to annual returns over this period.

Income investors should note that the German government imposes a 26.375% withholding tax on dividend payments made to international investors. This reduces Fresenius Medical's net dividend yield to ~2.6%.

Safety, Quality, Competitive Advantage, & Recession Resiliency

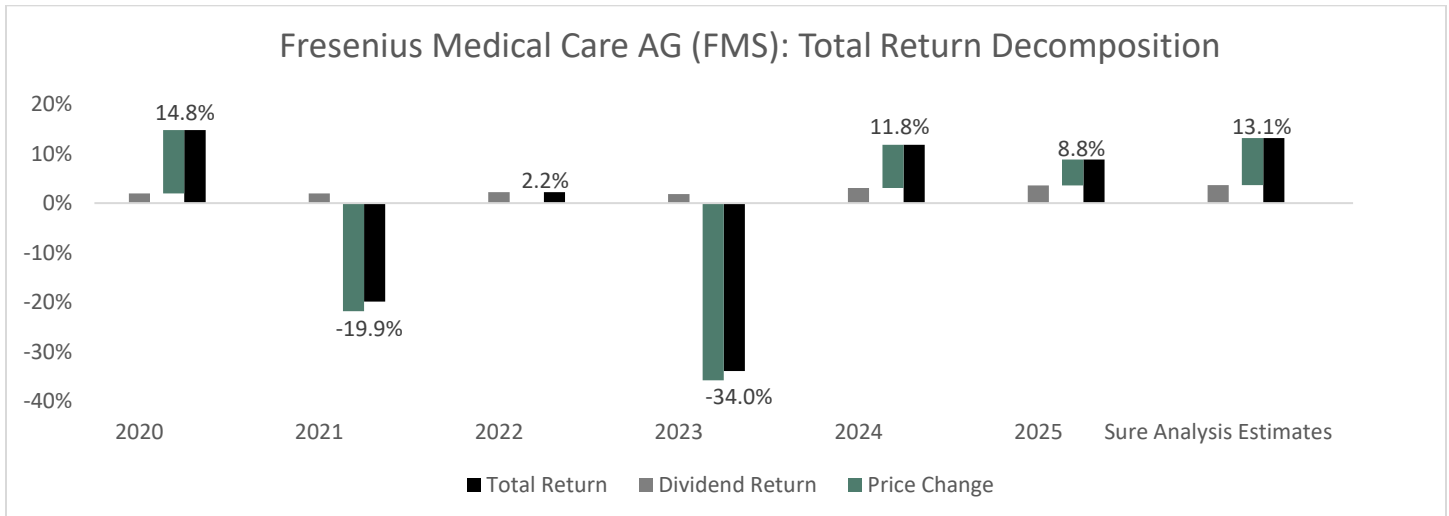
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	21%	26%	22%	19%	27%	42%	59%	46%	39%	33%	28%	28%

A key competitive advantage for Fresenius Medical is its lineup of kidney dialysis and diagnostic products. The company is a global leader in the area of dialysis and has more facilities worldwide than any other company in this sector. Fresenius Medical serves as a one-stop shop for customers requiring dialysis related treatments. Fresenius Medical managed to increase earnings-per-share during the last recession. The company's products make it so that patients' can control their kidney failure, making it likely that the company will perform well in recessions.

Final Thoughts & Recommendation

Following fourth quarter results, we expect Fresenius Medical to have an annual return of 13.1% per year through 2031, up from our prior estimate of 10.1%. Our projected return stems from a 3% earnings growth rate, a starting yield of 3.6%, and a high single-digit contribution from multiple expansion. The company produced strong organic growth for the quarter and year as well as provided solid guidance for the next few years. We continue to view shares of the company as a hold due to limited dividend growth in U.S. dollars.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	18,329	20,059	19,522	19,559	20,364	20,825	20,384	21,032	20,917	22,162
Gross Profit	6,212	6,790	6,084	6,035	6,321	6,001	5,580	5,334	5,153	5,686
Gross Margin	33.9%	33.9%	31.2%	30.9%	31.0%	28.8%	27.4%	25.4%	24.6%	25.7%
SG&A Exp.	2,985	4,035	3,154	3,382	3,604	3,660	3,978	3,456	3,400	3,423
D&A Exp.	776	830	855	1,739	1,809	1,874	1,808	1,744	1,661	1,652
Operating Profit	2,592	2,858	2,757	2,394	2,519	2,362	1,843	1,716	1,778	2,127
Op. Margin	14.1%	14.2%	14.1%	12.2%	12.4%	11.3%	9.0%	8.2%	8.5%	9.6%
Net Profit	1,571	1,753	2,626	1,610	1,637	1,441	940	792	801	1,344
Net Margin	8.6%	8.7%	13.5%	8.2%	8.0%	6.9%	4.6%	3.8%	3.8%	6.1%
Free Cash Flow	1,108	1,377	1,085	1,572	3,589	1,894	1,468	2,073	1,815	1,987
Income Tax	689	500	603	450	571	417	342	325	342	362

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	26,900	28,849	29,999	36,969	38,773	39,082	38,159	37,481	34,758	36,411
Cash & Equivalents	1,054	1,189	2,576	1,281	1,521	1,840	1,541	1,702	1,377	2,028
Acc. Receivable	3,682	4,070	3,815	3,675	3,692	3,701	3,658	3,684	3,375	3,609
Inventories	1,499	1,612	1,739	1,991	2,660	2,525	2,664	2,607	2,273	2,677
Goodwill & Int.	14,512	15,355	14,736	17,335	17,545	17,992	18,474	17,688	17,128	17,412
Total Liabilities	15,244	15,847	15,250	22,122	23,685	23,185	21,670	21,102	18,430	19,636
Accounts Payable	607	709	733	804	896	837	868	842	936	866
Long-Term Debt	7,971	8,019	7,033	14,155	15,051	13,720	13,387	12,807	11,366	12,659
Total Equity	10,524	11,792	13,442	13,423	13,722	14,441	14,930	15,046	15,094	15,632
LTD/E Ratio	0.82	0.76	0.64	1.15	1.10	1.05	0.94	0.88	0.75	0.81

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	6.0%	6.3%	8.9%	4.8%	4.3%	3.7%	2.4%	2.1%	2.2%	3.8%
Return on Equity	13.6%	14.2%	18.9%	10.9%	10.9%	9.3%	5.8%	4.8%	4.9%	8.1%
ROIC	7.8%	8.3%	11.6%	6.0%	5.4%	4.7%	3.1%	2.6%	2.8%	4.7%
Shares Out.	614	613	613	602	598	586	586	587	587	587
Revenue/Share	29.92	32.64	31.77	32.30	34.60	35.53	34.76	35.84	35.65	38.05
FCF/Share	1.81	2.24	1.77	2.60	6.10	3.23	2.50	3.53	3.09	3.41

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

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